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The Regional Municipality of Durham Report

To: Health and Social Services Committee
From: Commissioner of Social Services
Report: #2020-SS-16
Date: December 3, 2020

Subject:

Community Social Investment Framework (CSIF)

Recommendation:

That the Health and Social Services Committee recommends:

That this report be received for information.

Report:

1. Purpose

1.1 The purpose of this report is to provide Council with an introduction and overview of current work that is underway within the Social Services Department for the development of a Community Social Investment Framework (CSIF).

2. Background

2.1 As noted in the Regional Recovery Framework and Action Plan (#2020-COW-22), the development of a Community Social Investment Framework that will support the allocation of social services investments to community non-profits serving residents who are facing the greatest needs and barriers, was noted.

2.2 As a result of the Recovery efforts, a comprehensive overview, analysis and review of the current process surrounding the community investment allocations within the department, was conducted. This was initiated, in partnership with the Region's Internal Audit Division (IAD) within the Finance Department.

2.3 The project has since been led by the Social Services Department, with continuing consultations across the Region (e.g. Economic Development and Tourism, Finance, CAO's office).

3. Previous Reports and Decisions

3.1 Report #2020-COW-22, Regional Recovery Framework and Action Plan.

4. Comparable Models and Jurisdictional Scan

4.1 A jurisdictional scan was conducted, where comparable models and approaches were reviewed and summarized for the identification of best practices. These models included; City of Toronto, Region of Peel, and the City of Ottawa.

4.2 Each municipality approached the allocation of funding related to community social investments, in a similar manner:

- a. Funding streams noted for capital, governance shortfalls, ongoing and sustainability requirements, etc.
- b. An existing scoring system and clear process for applications,
- c. Linkages to principles and values noted within the municipality's Strategic Plans,
- d. An annual review process and transparency of reporting to Council,
- e. Community engagement and feedback utilized for the development of the approaches.

4.3 Peel Region's 'Organizational Effectiveness' tool was of key interest to our development and will be utilized as an approach to accountability and transparency of decision making.

5. NEW- Community Social Investment Framework

Community Engagement Considerations

5.1 The level of community participation during early stages of the design and development of social policy and programs can lead to an increased perception of value related to positive community outcomes and sustainability. Further, engaging stakeholders and community partners in a co-productive manner to develop the final Framework or – in other words – serve the community rather than steer, will create a better end product that 'listens' to the users of the programs.

5.2 The Department will utilize consensus to inform the planning of the Framework but ensure that our community partners are informed of the limitations, relevant legislation, as well as funding constraints, so that recommendations and engagement activity is an informed process.

5.3 Ultimately, the Framework presents an opportunity for the Social Services Department to engage with the larger community in the development of this Framework and can do so in a manner that is sincere to see positive perceptions from community partners around the fairness of the project and the impact and effect of long-term outcomes.

Community Safety and Wellbeing Plan Linkages

- 5.4 The Region's Community Safety and Well-Being (CSWB) Plan is guided by the Ministry of the Solicitor General's Planning Framework, which defines the ultimate goal as achieving sustainable communities where everyone is safe, has a sense of belonging, opportunities to participate, and where individuals and families are able to meet their needs for education, health care, food, housing, income, and social and cultural expression.
- 5.5 Within the CSWB Plan, municipalities can identify where there is already work underway in the community to address a specific issue and to avoid duplication, identify existing strengths and resources, determine where there may be gaps in services or required resources, and capture opportunities.
- 5.6 Within the Community Social Investment Framework, data will be gathered around community funding allocations that address variables of social services and community well-being. This data will be useful in identifying gaps and opportunities within our community.

Diversity and Inclusion

- 5.7 As the Framework is further developed, staff will work alongside with the newly established Diversity, Equity and Inclusion Division within the CAO's office to ensure an active role in the coordination of services and development of service provider organizations in the Region, particularly non-profits.
- 5.8 Within the Framework, specific intent and consideration will be given to agencies that support Black and racialized communities.
- 5.9 In response to the Truth and Reconciliation Commission's call to action, the Framework will seek to build a unique relationship with Indigenous organizations to partner, support and build the capacity of Indigenous peoples and organizations.

Clear and Transparent Application Process

- 5.10 The importance of a clear and transparent process of community investment allocation decisions is integral to the success of this program. An accessible and simple process for indicating an intent to apply for funding, followed by a more rigorous review and risk assessment will be included in this Framework. This will include a web-based fillable form that will be sent to a common email address for further follow up and review by a Regional staff member. This will ensure that community agencies have an opportunity to express an interest in funding and provide a resource for the Region to identify and quantify needs and funding gaps in the community.
- 5.11 Determining the level of oversight and detail required from the agency receiving the funding can be assessed through risk-based measures influenced by defined thresholds. Utilizing a risk-based approach, the Region will be able to assess the

capacity of the community agency's organizational effectiveness and probability of sustainability.

5.12 Building on the "Organizational Effectiveness" tool prepared by the Region of Peel, the following attributes will be assessed against indicators to derive a 'score' which will be provided to the department. On an annual basis, the Region's Internal Audit Division will support the Department in the due diligence review on the tool and framework that will assess for relevancy and effectiveness.

- a. **Operational Design:** This section will review and assess the organization's approach to operations and human resources. Items such as the existence and effectiveness of; performance indicators assessed and tracked against a strategic plan, annual report, mission statement, vision statement, clear mandate, etc.
- b. **Governance Design:** This section will review and assess the organization's capacity and approach to governance. A stable and functioning Board of Directors, succession planning, human resources policies, clear organization chart and defined reporting relationships, board and staff retention policies, etc.
- c. **Human Resources Management:** This section will assess the next layer of staffing that will support the governance framework above. Items assessed would include; clear policies and procedures for staff to follow, evidence of an adherence to all relevant legislation, networking opportunities, education and upgrading opportunities, evidence of staff retention, etc.
- d. **Financial Management:** This section will seek to assess and quantify the strength of the organization's financial management approach. This may include; audited financial statements, history of financial stability – ratios to assess liquidity may be utilized, competency, diversified revenue streams and/or strong fundraising approaches, etc.

5.13 The online tool will be submitted on behalf of the organization applying by an individual that is able to bind the organization and will accurately report the details available. If needed, the Region may seek additional information from the applicants depending on the level of risk identified (e.g. funding request greater than \$100k, low scores achieved in specific areas, etc.).

5.14 Once the "Organizational Effectiveness" tool is completed, the organization's application will be reviewed by a multi-sector review panel that would include staff and community representatives. Currently, this may include the Durham Advisory Committee on Homelessness (DACH), as much of the current funding is related to homelessness initiatives. Any appeals for decisions made by the review panel may be accepted with an opportunity for the organization to present at the committee and/or provide further details, as needed.

Proposed Funding Streams

- 5.15 The Framework makes considerations for the assessed organizational effectiveness of the agency applying for funding. Utilizing this benchmark and rating will provide staff with a score for the organization and highlight key areas of strength and opportunities for the community organization.
- 5.16 For clarification purposes, the allocations noted within the Framework will support a focus on three (3) funding streams:
- a. **Sustainability Fund:** Utilized with a 3-year partnership commitment (subject to annual approval of the Region's Business Plans and Budget) with the community organization for projects that support medium-term operational costs (e.g. staffing, rent, utilities).
 - b. **Emerging and Emergency Needs Fund:** Utilized to address emerging needs in the community as they arise – homelessness, supportive housing, poverty prevention, etc.
 - c. **Capacity Building Fund:** Utilized to support organizations that are lacking capacity to deliver key programs and services to the community. These programs would align with the Strategic goals of the Region and support the health and well-being of the community. Capacity funding would be provided with a plan in place to leverage partnerships in the community for future sustainability and assessed on an ongoing basis for effectiveness and relevance.

6. Next Steps -- Community Investment Framework Implementation

- 6.1 Community consultation and engagement (via the non-profit community) will require significant effort of the staff within the Social Services Department. Staff will explore utilizing existing mechanisms to reach out to community tables and our non-profit partners, to create a well-informed Framework.
- 6.2 Initial planning for this Framework will allow the process to be implemented (even if only partially for accountability) in 2021 – after the Region's Budget has been approved by Council. Subsequent reports will be prepared and shared with Council outlining the community engagement efforts and any recommended revisions to the overall Framework.
- 6.3 A comprehensive Community Engagement Plan will be developed and implemented in 2021, to ensure adequate representation and considerations are made in the creation and expansion of this Framework.
- 6.4 On an annual basis, the Region's Internal Audit Division will support the Department in the due diligence review of the Organizational Effectiveness "tool" and Framework process that will assess for effectiveness and appropriateness of the approach and report on outcomes achieved.

6.5 The Framework presented, will be piloted in the Department's Housing Services Division. Specifically, the approach and guiding principles will be utilized for the allocation of homelessness funding through an expression of interest "Working Together to End Homelessness in Durham".

7. Financial Implications

7.1 At this time, there are no financial implications for the development and implementation of this Framework.

7.2 It is intended that this Framework will enhance the current methods and approaches for allocations to community agencies via service delivery contracts in the Social Services Department (e.g. Homelessness Prevention (CHPI), Social Investment Fund, etc.). To provide further context, in 2020 the total allocations to community agencies under the Community Homelessness Prevention Initiative (CHPI) alone was over \$9M.

7.3 For 2021, staff will further support non-profit agencies currently receiving funding, that may be subject to additional constraints within the application process and approach.

8. Relationship to Strategic Plan

8.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Mobilize our scope of influence by using knowledge and data to inform and engage the community on issues related to poverty.
- b. Support and promote sustainable communities where everyone feels safe, has a sense of belonging, access to services and where individuals and families are able to meet their education, health care, food, housing, income, social and cultural needs.

8.2 Within the Region's Recovery Plan - specifically noted within the Social Pillar - is the development of a Community Social Investment Fund framework. As a result, the Region and the Department of Social Services have committed to the development of a Framework to provide a clear and accountable outcome-based approach to funding community investments.

9. Conclusion

9.1 The Department of Social Services has committed to the development of this Framework to provide a clear and accountable outcome-based approach to funding community investments. As a result, there is an opportunity emerging to engage with the larger community in the development of a Community Social Investment Framework (CSIF) and can do so in a manner that is sincere to see positive

perceptions from community partners around the fairness of the project and the impact and effect of long-term outcomes.

- 9.2 Subsequent reports will be prepared and shared with Council outlining the community engagement efforts and any recommended revisions to the overall Framework. As such, there is intent to develop and implement a comprehensive Community Engagement Plan in 2021, to ensure adequate representation and considerations are made in the creation and expansion of this Framework.
- 9.3 For additional information, contact: Jonathan Dixon, Manager, Budgets and Finance, Social Services, at 905-668-7711, extension 2452.

Respectfully submitted,

Original signed by

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Commissioner of Social Services